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The Rt Hon the Lord McLoughlin CH
Chairman of the Delegated Powers and Regulatory
Reform Committee
House of Lords
London SW1A 0PW

12 October 2022

INT2022/12618/DC

Dear Lord McLoughlin,

ELECTRONIC TRADE DOCUMENTS BILL

I am writing to you in your capacity as Chair of the Delegated Powers and Regulatory Reform Committee (DPRRC) regarding the Electronic Trade Documents (ETD) Bill, which was introduced to the House of Lords on Wednesday 12 October 2022. The ETD Bill implements recommendations from the Law Commission's 2022 Report - <u>Electronic Trade Documents</u>. It will remove the legal obstacle to the use of trade documents in electronic form, and ensure that such documents have the same effects as their paper counterparts.

What the Bill does

It allows for the use in electronic form of certain trade documents, such as bills of lading and bills of exchange, which currently have to be on paper and physically possessed. To achieve this, the Bill sets out certain "gateway criteria" that a document in electronic form must satisfy in order to qualify as an "electronic trade document". It provides that electronic trade documents are capable of being possessed, and that they have the same effects as their paper equivalents.

The Bill will allow businesses to use electronic trade documents when buying and selling internationally, making it easier, cheaper, faster and more secure to trade.

Delegated powers within the Bill

The Bill contains three individual provisions containing delegated powers. Two of them are Henry VIII powers in respect of making amendments to or removing the exclusion for uncertificated securities which is set out on the face of the Bill as well as making incidental or consequential etc. provisions. All of the delegated powers are subject to the affirmative procedure



Our memorandum detailing each of the powers is enclosed. I will place a copy of this report into the Libraries of both Houses.

With best wishes,

Lord Kamall

